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13th Assembly

Standing Committee on Social Programs

Report on the 1997/98 Main Estimates

Tommy Enuaraq, M.L.A.
Chair

Northwest Territories Legislative Assembly

Standing Committee on Social Programs

February 18, 1997

THE HONOURABLE SAM GARGAN, M.L.A.
SPEAKER OF THE LEGISLATIVE ASSEMBLY

Mr. Speaker,

Your Standing Committee on Social Programs has the honour of presenting its report on the 1997/98 Main Estimates for the NWT Housing Corporation and the Departments of Health and Social Services, Justice, and Education, Culture and Employment. Your Committee commends it to the House.

Tommy Enuaraq, M.L.A.
Chair

MEMBERS OF THE STANDING COMMITTEE ON SOCIAL PROGRAMS

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Dave Ramsden, Deputy Minister
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Don Cooper, Deputy Minister
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Department of Education, Culture and Employment
Hon. Charles Dent, Minister
Jerry Hammersmith, Deputy Minister
Eric Colbourne, Assistant Deputy Minister
Mark Cleveland, Assistant Deputy Minister
Paul Devitt, Director, Finance and Administration

Standing Committee on Social Programs
Review of 1997/98 Main Estimates

GENERAL COMMENTS

Prior to the review of the 1997/98 business plans, the Minister of Finance warned all members that the plans were living documents and would change over time. As a general statement, we found this to be true. In a number of cases, departments were unable to provide clarity on proposed changes. Studies have not been completed and plans are only in the development stage. The Committee understands that all government departments including those in the Social Envelope have been under tremendous pressure with decreased resources. We have tried to recognize this in reviewing the information provided.

Reviewing the Proposed Changes

However, the Committee still reviewed all proposed changes with a critical eye. Last year, we supported initiatives based on the general information given. Unfortunately, some of the changes were implemented in a different way than was presented during the review of the 1996/97 Main Estimates. We approved an overall package of changes last year. We looked for balance and fairness. Changes were approved based on other changes. When reductions and changes were not implemented, the package didn't make sense anymore.

As a result of our past experience, we were more judicious in giving support to changes proposed by departments. We looked for key indicators:

- that the actual program changes would be well thought-out;
- that changes would be based on the principles and goals the Committee members talked about during the review; and
- that there would be appropriate consultation with affected groups.

We wanted adequate information before we were able to support specific initiatives. We looked for results rather than just focusing on spending. In most cases, the departments provided the information we needed to make informed decisions.

Social Envelope Subsidies

The issue of subsidies came up in every department. Until there is a clear understanding of the various subsidies, at least within the social envelope, how can the government determine the connections and potential overlap between the subsidies? Without this big picture, we are not comfortable continuing to make changes to subsidies without a sense of what other programs or subsidies might be affected, directly or indirectly.

The social envelope partners have established a working group to review and possibly revise the range of subsidies for seniors. There are currently twenty-one seniors subsidies spread over nine boards, agencies and departments. This review is a good start. However, we believe the social envelope partners also need to review the comprehensive list of subsidies they provide. There are a number of areas of inconsistency and overlap which should be addressed. As a start, there should be a list compiled of all subsidies available through the social envelope.

Recommendation 1

The Standing Committee on Social Programs recommends that a comprehensive list of subsidies available through the social envelope should be provided to the Committee by September 1, 1997.

Review of Seniors Subsidies

In October, after looking at the seniors fuel subsidy, we asked the Ministers to develop for a long term plan which would address a number of concerns raised about subsidies for seniors. We think there is a need to look at the big picture. If the seniors fuel subsidy were eliminated, how many of the 400 people who received the subsidy will move into social housing where they will cost this government far more in the long run? How many additional

applications will be made for income support from seniors who just can't make it in the winter months?

The Minister indicated that there is a Social Envelope working group looking at the array of programs and subsidies available to seniors. This group may recommend that the fuel subsidy be eliminated and replaced with a comprehensive package of programs and subsidies for seniors. However, there is no indication of when this working group will report. In the future, when the Social Envelope has rationalized the array of programs and subsidies available to seniors, there may be new solutions. However, for now, the Committee will not support the elimination of the wood fuel subsidy.

The Minister of Health and Social Services has provided a summary of the twenty-one programs and subsidies currently available for seniors. These programs are delivered by nine different departments, boards and agencies. The summary also highlights inconsistencies in the eligibility requirements, particularly in age and income, for the various programs. It is clear that there is a need to complete a comprehensive review and reform of programs and subsidies for seniors.

Recommendation 2

The Standing Committee recommends that a plan to integrate the various GNWT subsidies and programs for seniors should be provided to the Committee by September 1, 1997;

And further that the seniors' programs and subsidies integration plan should:

- *be developed in consultation with the NWT Seniors Society*
- *address the idea of consolidating all programs for seniors under one authority*
- *contain an action plan for implementing the reform of seniors subsidies and programs.*

Preparing for Division

In each of the departments, there will be hundreds of tasks, both big and small, to prepare for division. After this budget process is complete, we expect Ministers and their departments will turn their attention to these tasks. We look forward to the departments' division plans coming to the Committee later this spring.

Standards

In each department, we looked at the standards for service. In the past, this government had the dollars to provide a cadillac service. It is time to review whether we can still afford this level of service, particularly in the social areas where a high birth rate and extreme levels of social problems are driving programs to the limit. As a government, we need to look at whether we put our money into top of the line facilities or whether we are now ready to live with more modest surroundings but more direct services. We have to look at the standards for qualifying for a facility. When does a community qualify for a community learning centre? What population is needed for a long term care facility? These are the kinds of questions we will be asking and that we hope the departments will also consider.

Departments also need to be more flexible in looking at alternate uses for infrastructure. We were pleased in particular with the openness of Health and Social Services to considering alternate uses for facilities. Times have changed and we have to be more creative in how we look at facilities and what can be done with them. For example, a building may not look precisely like a community learning centre we are used to, but that doesn't mean it could not function as one.

User Pay/User Say

In each of the business plans, there is additional responsibility as a result of user say/user pay initiatives. In most cases, the funding transferred was first reduced so departments will have to be more efficient than the departments with the original responsibility and the economies of scale. As these

initiatives take place, we are starting to hear about the difficulties and implementation details which were not thought through. We are very concerned that there has not been sufficient analysis before proceeding with this major initiative. The Social Envelope departments are already struggling to meet the demands for services. We will be monitoring the impact and potential additional costs they may have to carry as a result of user say/user pay. We hope this will not be another initiative where we have to pick up the pieces in the end.

Recommendation 3

The Standing Committee on Social Programs recommends that each department in the social envelope provide an analysis of the financial and operational impact of each user say/user pay initiative by October 1997.

Cooperation in the Envelope

For a year, we have been emphasizing the need for the Social Envelope partners to work together at all levels. The Ministers have provided assurances that this cooperation is growing. We encourage the Ministers and their management teams to continue to develop a partnership approach. Hopefully this will be reflected in regular meetings at the Minister and Deputy Minister levels and in increased cooperation among community level staff.

Financial Presentation

The Committee had concerns with the financial presentation. These concerns included:

- the lack of detail at the activity level for the Housing Corporation, and the Departments of Health and Social Services and Education, Culture and Employment
- the restatement of prior years' expenditures
- the lack of prior year information for certain capital items.

The very broad accounting structure used by Health and Social Services, the Housing Corporation, and Education, Culture and Employment in the Main Estimates makes it very difficult to comment in any useful way. It is hard to have meaningful discussion and hard to approve financial activities which are this broad. We do not believe this level of public financial presentation is sufficient for departments which are responsible for almost 50% of the total GNWT budget.

Committee members understand the accounting principle behind restatement of prior years. However, the Main Estimates is a document that serves as a reference point for members and the public. There is no easy way to track from year to year in the Main Estimates what has changed in terms of the size and scope of departmental authority. You cannot tell what activities or programs have been added, transferred or deleted. In a sense, financial history is rewritten.

The limitations on when prior years are shown for capital projects is also confusing to the reader of the Main Estimates. Members know, for example, that there were prior year expenditures for items such as Building and Learning and BCC renovations/repairs. However, these show as new items in the 1997/98 Main Estimates. This reporting practice does not allow tracking of at least year to year expenditures for on-going items.

Population Issues

Last year, when the Committee looked at the forced growth numbers in the Social Envelope, members made fleeting references to the population growth. This year, it is becoming even more clear that our population is growing beyond our ability to provide services. This will be the single most important factor affecting our ability to live within our resources and maintain the level of services currently available. There is a strong need to take some immediate positive action in raising public awareness of what effects rapid population growth will have in the future. With Health and Social Services taking the lead role, the Social Envelope needs to become proactive in education and information about what forced growth is doing to our services. We need to get this information to young people and to their parents and

grandparents who welcome new family members. People want good education opportunities, they want housing, they want to be healthy, and they want jobs. Children having children and a birthrate three times the national average will affect our ability to deliver these items. They will bring more stress to a system which is already pushed to the edge.

The high number of births to young mothers also indicates an acceptance of sexual activity among many of our youth. As the Committee responsible for overseeing the Department of Health and Social Services, we are also concerned about the potential to spread disease, particularly AIDS, in our communities. A recent national study shows an increase in HIV in young people. The median age of those with HIV in Canada is now 23. This means almost half of the people now infected are only teenagers. An increase in HIV infection and AIDS in the NWT will bring a heavy cost in pain and suffering, in addition to the medical costs.

This booming population places heavy demands on all parts of the social network. The housing shortage in many communities is compounded. Health services are stretched, schools are filled to overflowing and the demand for daycare spaces increases. Children who are still dealing with their own efforts to become adults need extra support to be competent parents. There is no new pool of funding to build the houses and schools we need. There is no funding to hire more social workers, health care workers, teachers, and childcare workers.

The Committee is concerned about the societal impacts of a dramatic birth rate. We are also concerned about the consequences of children having unprotected sex and the resulting potential for both sexually transmitted diseases and pregnancies. We believe people should make informed choices and decisions, while recognizing the impact their decisions will have on themselves and their communities.

Recommendation 4

The Standing Committee on Social Programs recommends that the Minister of Health and Social Services, in consultation with the other social envelope Ministers, prepare a list of current services available to address the booming population , both pre- and post-natal, as well as the locations of these services.

And further that the social envelope partners develop a joint approach to deal with the fundamental issues causing forced growth in social programs.

Response to the Committee

Recommendation 5

The Standing Committee on Social Programs recommends that , unless a specific date for response is given in this report, the government should provide a response to all recommendations in this report within 120 days.

EDUCATION, CULTURE AND EMPLOYMENT

Seniors Fuel Subsidy

On February 10, 1997, we provided a report to the Assembly on this issue. As we stated in that report:

> "The Standing Committee believes the Minister of Education, Culture and Employment has been given clear political direction to keep the seniors fuel subsidy in some form. As we noted in an October report to the Minister, there is clear consensus among the Ordinary Members and agreement from the NWT Seniors Advisory Council that this program should remain in place. When we approved a change to the fuel subsidy as part of the 1996/97 budget, it was with the understanding that the change would address only those high income seniors who were getting the subsidy. The actual implementation went far beyond what we thought we were approving.
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> On October 9, 1996, in response to Members' concerns, the Legislative Assembly passed a motion, referring the issue of changes to the seniors fuel subsidy to the Standing Committee on Social Programs.
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> The Committee addressed the issue with the Minister with no resolution. On October 18, 1996, we gave an interim report, CR 12-13(3) in the House identifying the need to retain the subsidy in the short term. In that report, we also identified possible options for funding the program.
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> We again tried to address this issue during the review of the draft Main Estimates in December. The Minister continued to indicate that he was unable to find the funding necessary to continue the program but would consider options put forward by the Committee. As a result of our discussions, we offered a number of potential sources for some or all of the funding required to support this program.

There is a Social Envelope working group looking at the array of programs and subsidies available to seniors. This group may recommend changes to the seniors fuel subsidy or replacement of the subsidy with a different option. However, there is no indication at this point of the timeframe for completion of this comprehensive review of seniors' programs and subsidies. It is not appropriate to eliminate the fuel subsidy until the Standing Committee and Members of the Assembly have had an opportunity to review and approve other possible options.

We had hoped the Minister of Education, Culture and Employment would be willing to work cooperatively with the Standing Committee to ensure seniors were able to access some form of fuel subsidy. The Standing Committee on Social Programs strongly believes that the Minister could have identified the $250,000 necessary for this program within his $280 million budget. "

On February 12, 1997, members of the Committee introduced a formal motion in the Assembly directing the Minister to ensure the seniors fuel subsidy remains in place until such time as the Assembly directs otherwise.

Recommendation 6

The Standing Committee on Social Programs recommends that the Minister of Education, Culture and Employment be urged to continue the seniors' fuel subsidy program with the following changes:

- *increasing the single income threshold to at least exceed the Statistics Canada poverty level for a single person, indexed to Yellowknife's cost of living;*
- *indexing qualifying incomes to the cost of living across the Northwest Territories, using Yellowknife as a base; and*
- *including seniors who rent private housing in the eligibility criteria.*

and further that the funding necessary for this program should come from instituting a rent policy for seniors living in public housing;

and further that the revised seniors' fuel subsidy program remain in place until the recommendations contained in the report of the comprehensive review of all programs and benefits to seniors and elders is reviewed by the Standing Committee on Social Programs and the Legislative Assembly.

Language Bureau

There are two issues of concern in addressing the Language Bureau. The first concern has to do with the privatization of interpreter/translator services. The second deals with the transfer of funding for language programming and development to language communities.

The department intends to transfer the funding associated with interpreter/translator services to the user departments. Departments will then be free to obtain these services from the private sector. The Minister has indicated that there are already a number of contractors providing interpreter/translator services for the Language Bureau. He expressed confidence that the level of service would not decline. Many eastern Members have raised a concern about the privatization of interpreter/translator services. We believe that this issue is one which may need a different solution in Nunavut than in the western territory. In the west, Members seem more comfortable with the use of contract interpreter/translators. The biggest issue seems to be the need for standards and a registry of interpreter/translators to ensure the quality of the service. With 7 different aboriginal languages in use in the west, a contract approach may be appropriate. However, in Nunavut, there are language issues relating to the use of Inuktitut in the post-division government. There is also only one aboriginal language used with any frequency and it is used by a large percentage of the population.

The Minister has indicated that there are no cost implications associated with the privatization. Therefore, we believe there is time to develop a plan which will address the differing concerns.

Recommendation 7

The Standing Committee on Social Programs recommends that the Minister prepare a plan for interpreter/translator services which addresses the differing situations in the eastern and western NWT and provide that plan to the Committee as part of the department's division plan in May 1997.

The transfer of funding to language communities has been raised by advocates for aboriginal languages and the Languages Commissioner in the past. This transfer places the responsibility for the development and promotion of aboriginal languages with the actual language communities themselves. The transfer is consistent with community empowerment and we are prepared to support this initiative.

Student Financial Assistance

In the area of student financial assistance, the Committee has been asking for the report on potential changes for the past year. In the business plan, there is an indication that there will be program changes to save dollars. The Minister indicated that the department intends to make two short term changes to the program for the coming fiscal year. The Minister has indicated that the two changes are:

1. limiting travel assistance to tickets valued at the equivalent of two week advance booking to the closest northern college campus or the nearest "point of departure"; and

2. suspending student financial assistance for a three year period for students who are unsuccessful in meeting the minimum requirement of successful completion of 60% of a full post-secondary course load.

The Minister identified the specific changes to the Committee in a letter dated February 10, 1997. We have not had the opportunity to discuss these changes in detail with the Minister, although his department did provide some

background information to help us understand the existing provisions late last week.

We are generally supportive of the limitations on travel. However, we have two concerns. First, there are some cases where a student will pursue a course of study which is not available either at a northern college or in an educational institution in the student's point of departure. We believe there should be provision to support student travel when travel past the point of departure is beyond the student's control.

Our second concern has to do with programs where students can take one or two years in the north but must go to a southern university to complete the program. For example, students can take two years of a degree in education and management at the northern colleges but cannot complete their degree in the NWT. We would like confirmation from the Minister that in these cases, students who chose to take the entire degree in the south will receive travel assistance to the point of departure for their full program.

The Committee does not support the second proposed change: the suspension of student financial assistance for a three year period. We find this change to be far more punitive than the current arrangements. While we want to encourage all students on assistance to do their best, there are also a number of circumstances which could cause someone to have difficulty in a particular semester. Based on the information we received from the department, we also felt the change was inconsistent with the department's previous recognition that students might need a second chance to adapt to post-secondary schooling and some probationary options should be available.

The proposed change raised concerns for us including the following.

- There should be a probationary period to support those who need an extra hand to adapt to the demands of post-secondary schooling.

- The change doesn't seem to recognize the difference between someone who just missed passing and someone who did very poorly on all their courses.

- There should be a recognition that mature students may only have a course load of 60% of full load in their first year. There is no flexibility for them to miss even one course as they adapt to being at school.

More comprehensive long term changes will be proposed through a discussion paper to be released in February 1997.

We are looking forward to the discussion paper the Minister intends to table in February. We hope the Minister is considering the input and advice of a broad range of northern individuals in the development of that discussion paper. This will ensure that issues key to one segment of the population are not overlooked in drafting the paper. We also hope the Minister has advised all students receiving student financial assistance that he will be proposing changes in the near future. The Committee believes that consultation on these changes with the people most affected, the students, is essential.

We will be looking for a change in direction when we review the report, one which focuses on results. Student financial assistance is a major investment of this government and, although we know how much money we put in and the number of people who start their programs, we have no idea what the success rate is in terms of graduation. We also don't know how many people return to the Territories after graduating. We need to be more proactive in ensuring the NWT benefits from the dollars spent supporting post-secondary education. We need to consider options like a longer period for remission, lengthening the time required to earn the grant, and basing forgiveness on success in a post-secondary program. We need to encourage students to return to the NWT once they finish their degrees and diplomas. These people work hard for their education so loan remission may not be enough. We need to find opportunities, both within governments and in the private sector, to actively recruit these graduates and bring them back to meaningful work in the north.

Colleges

The Main Estimates do not include a list of active positions for the colleges. This information would be a useful addition. We understand that the colleges have the position numbers and they could be provided if a request was made. This information is essential for the Committee and Members in tracking the overall impact of budget reductions to the Colleges.

Labour Force Development Plan

The department has developed a draft Labour Force Development Plan. We think this plan is crucial. With no northern employment strategy, we spend millions of dollars but the focus is on numbers through the system, not on results. We hope the plan reflects a more proactive approach to working with the people we are developing such as the students we support through student financial assistance. We are spending these dollars but not capitalizing on the product.

The department provided a briefing on the Labour Force Development Plan. While this provides a good base, it should be an integral part of the Northern Employment Strategy and closely linked to the Affirmative Action Policy. These vital connections to the overall Strategy are not clear yet and must be established.

Tracking Results

We are concerned about how well Education is able to measure the results of the dollars spent on education and training. The government seems to track statistics rather than results. There has to be a better way to determine if we are getting value for the money spent. Are people receiving a good education? What is the value of graduating from our system? How many people are graduating? What is happening when people attend post-secondary institutions? What is the connection between our graduates and their success in post-secondary education?

There should be a component of the Labour Force Development Strategy which emphasizes results. If we don't have benchmarks and track results, how will be know whether the programs are being effective? How will we know what efforts produce the best results for the people of the NWT?

Adult Education

Members still remain concerned about the level of funding for adult education. Education levels among aboriginal adults are very low. Until we can address this, we will not break the cycle of dependence, hopelessness and social problems. We recognize that there is only a certain amount of funding available to the department and the Minister has achieved what he believes is the best balance between different program areas.

The government is currently projecting a small surplus for 1997/98. By late July, the Minister of Finance should have a good idea of whether the departments will be on target. The committee would like to recommend that, if the government is on target by the end of the summer, some new funding be added to support adult education. We hope this investment will help reduce the pressure on other government programs.

Recommendation 8

The Standing Committee recommends that additional funding be added to adult education in September if the government variance reports at that time indicate the government will achieve a balanced budget for 1997/98.

Regional Librarians

The Minister proposed the elimination of two regional librarians. These two positions currently fill training and ordering functions for the whole territory. We were concerned with how these functions would be carried out and who would provide support to the many community libraries that these two librarians currently serve. The Minister has provided information demonstrating that existing staff will be able to handle the functions currently being carried out by the two librarians.

FAS/FAE

We raised the issue of FAS/E education and training for frontline workers in the schools and in income support. The Committee recognizes that there is some basic training in special needs offered to TEP students and through Bachelor of Education programs. However, given the magnitude of the problem in the north, we think more needs to be done. With the $4.5 million in early intervention funding available, there is a perfect opportunity for the department to work with the FAS/E Strategy group to develop and deliver educational material to those who are working with our children. This focused use of the money on an identified need would certainly be appropriate.

Recommendation 9

The Standing Committee recommends that Early Childhood Intervention funding be allocated for the development of an education/training module on FAS/E in cooperation with the FAS/E Strategy group.

Early Childhood Intervention

The Committee agrees with the Minister that early childhood intervention is critical. However, we see a need to focus on results rather than just on spending dollars. Over the next year, the department will be distributing $4.5 million for early childhood intervention. From the explanations given, it will be distributed in a manner similar to the Community Action Fund. In the business plan, there is a shopping list of the kinds of items which might be considered under this program. We are very concerned about the use of this one time funding. It appears to be unfocused with no parameters. We are concerned about how much will actually get to families and how the results of this spending will be measured by the department. We have sought assurance from the Minister that it is not just a give-away program but is part of a clear plan to address early intervention needs. We continue to have concerns about the allocation model and guidelines for the early childhood intervention funding. We are pleased to hear the department is developing a

framework and look forward to carefully reviewing this framework with the department.

Arts Council Trust

The Committee noted the introduction of an Arts Council Trust. With limited dollars, these types of partnerships between the public and private sector are necessary and should be encouraged.

Capital Planning

When we discussed the capital, we asked about the status of the Rankin Inlet High School. The Minister indicated that, under the current capital criteria, Rankin did not have the student population to justify this facility and it would probably have been 4 or 5 more years before a new high school was built. This compares to 6 months ago when the Minister assured us this facility was necessary and was not something the department felt could be deferred. Part of the reason for the lower numbers was grade extensions in small communities and the diminished use of Kivallik Hall. These are not new initiatives. The Committee is concerned that a project of this magnitude was continued by the department when they should have been able to predict the lower student occupancy rate. We are very disappointed with the lack of planning and adequate analysis. The Minister has indicated that construction is underway and so this government is locked into the project.

HEALTH AND SOCIAL SERVICES

Strategic Planning

The department provided a very good overview of its strategic planning process. Members of the Committee were pleased to see this work and believe that a strategic approach to the health and social services network is long overdue. We like the approach the department is taking in re-evaluating just what is possible and what services the department should be providing. Although this plan is still in a developmental stage, members at least have a sense that there is care and attention going into developing the options to be presented along the road. We were also happier with this year's main estimates. Although it is not as fiscally ambitious as last year's plan, we believe it is more realistic and achievable.

As part of the Main Estimates review, the department's project teams provided extensive briefings on the strategic work which is underway. These briefings were an excellent way to allow members to understand and contribute to the overall departmental strategic direction as well as more specific program directions. We believed the approaches outlined in the briefings were fairly concrete. We have since discovered, through alcohol and drug funding allocations, that the project teams' work is still incredibly fluid.

The Committee hopes that, this year, the department will be able to translate these projections for reductions and program changes into reality. We cannot afford to have the degree of slippage that occurred in 1996/97.

As the project teams carry out their work, there are some points we would like to raise. First, the Committee is supportive of the overall shift of emphasis from treatment to prevention. We recognize that in the first few years, there will be additional costs before the impacts of the prevention efforts are seen in reduced treatment costs. Second, we are concerned about the use of national averages in determining an appropriate level of health care such as the number of beds needed for long term care. While these averages give a starting point, we must also remember the extremely high

levels of social problems we face here in the north. While we can work towards national averages in areas like bed space, we need to get our social problems down to the national averages first. Third, there are great advances in technology in the health field. The department is pursuing some of these opportunities such as tele-medicine while others such as electronic eye examination equipment are still to be considered. The Committee encourages the program teams to view any and all options with an open mind, particularly if it can improve the quality of health care in a cost-effective way.

The Committee generally supports the strategic direction outlined by the Minister. However, this direction will require a major shift in the way health and social services are provided to northerners and in how northerners think about these services. If this approach is to be successful, it must be understood and accepted by the public, the practitioners and the boards. Communication will be key to allowing these fundamental changes to happen.

Alcohol and Drug Treatment

The Committee expressed a concern last year that there was a need for a new direction for alcohol and drug treatment. The department is now working on that new direction. The department indicated that at least one facility would be shut down to encourage greater use of the remaining facilities. Committee members suggest this should be done carefully, addressing the current need and maintaining the current capacity in use. As the department addresses the surplus, it is crucial that it does not overcompensate and close too many beds. This is particularly important as centres are looking at their programs and determining what new approaches would make better use of their space.

For the treatment centres which remain open, there must be some core funding to provide them with stability. While we supported the move to a partial per diem rate, we do not support 100% per diem funding. As part of the program review, the issue of core funding needs to be considered along with other elements such as regional parity and rationalizing facility closures.

Although we think the idea needs more work, we are supportive of the initial suggestion to look at mobile treatment. The Committee agrees that there will be clients who stand a greater chance of success if programs are delivered closer to home. This would link all of the support network for an individual together to give long term backup after the initial treatment is over.

In the past, northern treatment centres have not had the same degree of success as southern facilities. The lack of success often stems from the referral and follow-up services for clients. One of the current rehabilitation program's downfalls is the lack of proper client assessment. We need proper assessment and after-care to maximize people's chances of successfully completing treatment. It is important, as a starting point, for communities to enforce the existing policies requiring sobriety and community counseling before a referral can take place.

We also believe more thought is required before implementing the various funding pools for alcohol and drug programs and treatment. While there is a desire for regional autonomy, there must also be continuity in the use of established programs and services. The allocation of funding must ensure that continuity.

While there may be no reductions to the overall budget for community alcohol and drug funding, the department is proposing a more equitable allocation between communities. Some communities will see a significant increase in alcohol and drug funding while others will see a decrease. While we support the move towards greater equity in funding distribution, we also encourage the department to be aware of the impact of this change on existing alcohol and drug services in some communities.

As a final component in ensuring stability in alcohol and drug treatment, we need to ensure that alcohol and drug workers are properly trained and compensated. The level of wages for these workers has been a concern for a number of years which members believe must be addressed in some way.

The strategy for reductions and changes in alcohol and drug direction and funding has been in constant flux since we began reviewing this budget in October 1996. The Minister recently indicated to the Committee that further changes are being made. Given the uncertainly of the final direction, we find it difficult to approve the alcohol and drug strategy.

Recommendation 10

The Standing Committee on Social Programs recommends that the alcohol and drug strategy in the Department of Health and Social Services should not be implemented until the final strategy is reviewed and approved by the Committee.

FAS/FAE Strategy

The Committee would like the department to pursue the two key priorities of the FAS/E Strategy Team. These priorities are:

- to pilot a comprehensive treatment program for pregnant women with substance dependency issues; and

- to develop and deliver a standardized, modular training program on FAS/FAE with materials in plain language.

The recommendations fit into the program reviews and priorities of the department. In particular, we see opportunities in the alcohol and drug programming reviews and in the early intervention program for supporting the key priorities of treatment for pregnant women and education/training on FAS/E.

Recommendation 11

The Standing Committee recommends that the Department of Health and Social Services support the two key priorities identified by the FAS/E Strategy Group.

Home Care

The department is suggesting home care as the entry point for all long term care. We support this approach which is consistent with supporting people to live independently. As the planning proceeds on this program, **we expect to see clear standards developed for the use of long term care and the role of home care.** This is a program where we can see great opportunities for productive choices for those accessing income support. It is one more thing which can be added to a list of possible choices in the material provided to income support workers.

Inuvik/Iqaluit Hospital Replacements

There has been significant confusion about the status of the Inuvik and Iqaluit hospital replacements. The Minister has indicated that the need and use of both these facilities is part of the project review of the health network (hospitals and health centres). There is a need for concrete, decisive action on these facilities. We hope the Minister will be in a position to honour the commitments to build these facilities no later than 1998/99.

The Minister provided written confirmation that the agreement between the GNWT and the Federal Government will not be sunsetted on April 1, 1999. The Committee has asked the Minister for written clarification of the Federal Government's share of the funding and we hope that will be provided shortly.

We encourage the Minister to consider alternative funding sources and methods of funding capital projects to allow these projects to proceed as quickly as possible. If the Minister determines it is possible to look at alternate funding, it may also be possible to use a similar approach to address projects which have been delayed such as the health centre in Arviat.

Recommendation 12

The Standing Committee recommends that a decision be made on the Inuvik and Iqaluit hospital replacements to allow the projects to begin no later than fiscal year 1998/99

Health Boards

Members have questions about the cuts to the health boards. In 1996/97, the department proposed a $9 million reduction to health boards over two years. At that time, boards were encouraged to implement as much of the two year cuts as possible in the first year. The department has now decided not to proceed with the $4.2 million reduction for 1997/98. The Minister indicated that there may have been inequitable base funding for the various boards so an across-the-board reduction would not be appropriate. There may be reductions as a result of the health care reform studies but there will be no overall reduction to boards.

We were pleased to learn the department was able to meet its targets without further cuts to the boards. The Minister indicated that boards which did not meet their reduction targets in 1996/97 will still be required to make these reductions. This leaves us with unanswered questions about the 1996/97 reductions.

- Which boards achieved their targets for 1996/97?

- Which boards did not make the necessary reductions?

- Will all boards be required to make the level of reductions identified for 1996/97?

- Did any board make reductions beyond the amount budgeted for 1996/97 in anticipation of future year cuts identified last year by the department?

The Committee supports the new approach to funding these boards. The move away from very specific line item control to more responsibility for boards is consistent with the direction suggested by the Committee. With the definition of core services, regional boards will have a framework within which to design programs and services to address their clients' needs. We

will be looking for accountability and monitoring standards to ensure boards are providing the services they should.

This emphasizes the need for clear reporting systems, both within the department and in the boards. Information must be collected which allows for vigilance and monitoring of practices and procedures.

The department indicated that it intends to institute a surplus/deficit retention policy for the Boards beginning April 1, 1997. While the implementation details were not available, the Committee sees this as an important step in encouraging Boards to be more efficient in their operations. On discussing the transfer of regional positions to Boards, the Minister confirmed that all associated funding would be transferred including not just salary and benefit dollars but additional O&M dollars associated with the position such as office space and equipment.

Health Care Facilities

Following on our comments last year, we strongly believe that we need to consider alternate uses for existing facilities rather than just building new structures. There needs to be a common sense approach to the construction of any new facilities. In the review of care facilities, the Fort Simpson hospital is being considered for reprofiling. Given the status of this review, the two capital projects for Fort Simpson should be held in abeyance until final decisions are made on the future use of the hospital.

We understand that there are a number of reviews going on within the department. We hope these reviews are being coordinated to ensure that there is a consistent approach across all program areas.

Recommendation 13

The Standing Committee recommends that work on the proposed capital projects for Fort Simpson:,Adult Group Home and Family Violence Shelter, not proceed until final decisions have been made on the future use of the Fort Simpson Hospital.

Foster Care Rates

As part of the overall review of foster care, we will be looking for evidence that the need for culturally appropriate foster placements is emphasized and a strategy developed to address the need. We will also be looking for monitoring mechanisms. It is crucial that foster placements are safe, healthy places.

During our meetings, the department provided the results of their consultation with the Yellowknife Foster Parents Association to revise the foster care rates. We are disappointed that the consultation took place after the budget changes were approved. However, the new approach to defining and supporting special needs foster children should be more equitable for all foster parents and should provide greater clarification for those who administer the rates.

Human Resources

In the area of human resources, the department is talking about creating more multi-disciplinary teams in the communities. This could involve new roles for Community Health Representatives and the potential for an increase in the number of physicians. We look forward to the results of this program review.

Under the human resources briefing, the need for promotion of health and social services careers and education of northerners for those careers was highlighted. The Committee agrees with this need. We will be looking closely for concrete action by the department to make this a reality.

Organ Donor Program

Finally, the Committee noted that Stanton Regional Hospital is going to provide an organ donor program. We encourage the department to support this initiative and expand it where possible to other centres.

JUSTICE

Corrections

In every department or organization, there are areas which are clearly under stress. These are the areas which the Committee has focused its attention on during our many meetings over the past year. During the review of the 1997/98 business plan of the Department of Justice, the current approach to corrections is certainly one of those flash points. As we look at the critical overcrowding of our correctional facilities, the types of crimes and the growing young population, the need for some innovation is clear. We have talked about actions to prevent crime but prevention measures take time. In order to address the crime rate, we need to address social problems like low education levels, alcohol and drug abuse, high unemployment, and lack of adequate housing. While in the end, it is people who are responsible for committing crimes, these external factors contribute to the self-esteem of individuals and the high incidence of crime. It is unclear whether we can wait for preventative measures to have an effect.

In the business plan, the department has outlined three different approaches which should take the pressure off the existing facilities. If these approaches fail, we may have no alternative but to consider a new facility. At this point, with limited funding, we hope the following approaches will relieve the stress on the correctional facilities.

Wilderness Camps and Alternate Placements

The first component is to make greater use of wilderness camps and other alternate placements, particularly for adult offenders and repeat young offenders. Not only does this lessen the burden on the correctional facilities, it also addresses concerns raised by members about the influence that doing time in one of the large facilities has on young adults and on their ability to ever truly "come home" again. This approach provides first time offenders with positive influences rather than the negative influences which they are exposed to in our institutions. The Standing Committee supports this

initiative and the capital dollars in the budget directed towards this. We see this as a primary health and safety need.

Correctional Centre Programming

The second component is developing more programming for those within the correctional facilities, working towards rehabilitation rather than just warehousing people. Hopefully these efforts will help reduce the number of individuals who become repeat offenders. We were pleased to hear about programs like the sweat lodge at YCC and counselling with elders which support healing and reform in a culturally sensitive way.

We understand that our facilities are not supposed to just punish someone but should give them a chance to turn their life around with appropriate supports. However, there is a perception among some Members and the public that those in the centres have a far better life behind bars than they would on the outside. In any efforts made in the correctional facilities, the department must find a careful balance between rehabilitation and providing a situation which encourages people to re-offend.

Community Justice

The third component in reducing the pressures on the correctional facilities and the one with the most long term potential is to promote community justice. Unfortunately, this is the component that is the most undefined.

Community justice is crucial. The historical way we have dealt with offenders has not been effective in addressing repeat offenders or in discouraging crime. It has not provided a continuum for the offenders who may make great strides while in prison programming but who fall back to old patterns as soon as they get home and lack the support to follow a new path. Our current system lacks a way to let the community and victims deal with what has happened and move on.

Community justice can address these weaknesses in the process of locking people up. It concerns us that there is no specific plan to address community justice and further, that the department's strategic plan, which should address community justice in some way, will be another ten months in the making.

There are individuals committing crimes who could be better dealt with through community justice options. There are communities ready to take on more responsibility for this process. They continue to wait because the government doesn't have a formal process in place. There is a desperate need for a framework, a program, guidelines, a handbook - some form of support and guidance to help communities take this critical program on.

Recommendation 14

The Standing Committee on Social Programs recommends that clear support material be prepared to assist communities in developing local community justice options.

When we first received the business plans, we were concerned with the apparent lack of consistency in trying to advance community justice while cutting two community justice specialists. However, with more information, it appears that efforts to promote community justice will not be impaired by the loss of these two positions.

Diversion

The department mentioned that diversion is taking place. The Standing Committee strongly supports an increased use of diversion. We are concerned that there seems to be a discrepancy or a crack in the approval process for diversion options. While the department indicated that there is a way for the RCMP to find out about diversion opportunities, that is not the message the Committee is getting from communities. The process seems to be fairly loose and unstructured. Developing a way to recognize diversion options and communicate that to the RCMP and crown counsel should not be difficult.

Recommendation 15

The Standing Committee on Social Programs recommends that the Department of Justice develop a list of diversion options available by community, including contact people with phone numbers, updated on an on-going basis, which is available to all RCMP and Crown prosecutors in the NWT.

Community Supervision

There is funding in the budget for community supervision. The Minister has indicated that this funding will, in part, allow other community residents to take on this function, freeing up the community social workers time to concentrate on social work.

The Committee believes that a one window approach to justice in each community is the best way to go, for both practical and financial reasons. While we recognize that community justice committees need to support both the victim and the offender, we do not see the conflict in these committees also taking on responsibility for community supervision. It helps to provide a continuum of service at the community level and recognizes the reality that in most communities there is a small core of people who eventually take on all of these types of responsibilities anyway.

Aboriginal Staff

Members are concerned about the lack of aboriginal people in parts of the department. There is a need to be proactive in encouraging our youth to consider careers in the legal profession in particular. While offering articling positions to graduating law students is very helpful, more should be done to get students to pursue career choices in the justice system.

Coroners Office

The Committee notes the reductions in the Coroners Office. Last year, additional funds were allocated to this office to address a backlog of inquests. We understand most of the backlog has been dealt with. As we noted last

year, the network of coroners is a valuable community resource. Training is very important and members have heard positive comments from coroners about the training that is being provided. We encourage the Chief Coroner to be creative in dealing with the limited resources available, recognizing the importance of support for community coroners.

Policing Support

When discussing policing support in smaller communities last year, we suggested that one productive choice for those on social assistance could be to provide support to one and two man detachments, probably in the area of administration. These people could do the type of volunteer work carried out in Yellowknife by the Seniors working with the RCMP. This is one of the types of opportunities we would like to see suggested as possible options in the material that must be developed to assist income support workers.

FAS/FAE Offenders

In addressing programming, we asked the department to consider developing a means of identifying FAS/FAE offenders within the facilities. There is strong evidence that FAS/FAE individuals are over-represented in correctional facilities. Recognizing the lack of intent to be "bad" or "stubborn" in these individuals would also be of great help to the staff working with the inmates. However, we recognize the difficulties associated with diagnosis. As a minimum, we believe that there should be training available for all correctional staff to assist them in working with inmates who are possibly living with FAS/FAE.

Recommendation 16

The Standing Committee on Social Programs recommends that the Department of Justice develop a FAS/FAE awareness training program for correctional staff .

Family Law Mediation

The Committee lends its support to the move to require mediation on family law issues before they move into the court system. Mediation is less expensive and leaves matters more in the hands of the individuals involved. Hopefully, this will ease some of the load on the court system.

Transfers

In the capital budget, vehicle replacement is of concern to us. In the past, vehicle replacement was handled by Public Works and Services. This function was eliminated and the existing fleet transferred to departments, with no additional capital resources. While there was a reduced amount of maintenance funding transferred, departments are now having to budget for an item they were not responsible for in the past. The apparent savings for Public Works and Services when this happened seem to be a false savings as these amounts now start to appear in the budgets of other departments.

Another area of government change which was not supposed to add additional resources was the transfer of human resources. We are aware of situations in other departments where positions have been changed into personnel positions. Justice is adding two additional new personnel officers to headquarters to support the extra work load. Again, what was a small reduction in one area may have become a much larger expenditure hidden across the government. These two examples show the potential impact of changes made without adequate analysis.

Recommendation 17

The Standing Committee recommends that the government to provide an analysis of the impact of these two changes (vehicle pool and Personnel services) in terms of real savings.

Statute Review

The Minister indicated that the current Director of Legislation will be the Statute Review Commissioner in addition to his current responsibilities.

When we reviewed the bill on the Statute Review Commission, Members were told that this as a huge job and the work was already behind. Given the heavy legislative calendar that is apparently in front of us in the final two years of the term, Members are concerned about the ability of a single individual to do justice to both the Director and Commissioner's positions simultaneously. The Committee hopes the proposed approach works and will be monitoring the Statute Review progress.

Making Effective Use of Funds

Every department has had to make reductions to their programs. Where funding remains in place, we expect that its use will be maximized. In 1996/97, there was a pool of one-time capital funding to assist communities in establishing or upgrading alternate placements and wilderness camps. We are dismayed to learn that as of February 12, 1997, with only six weeks left in the 1996/97 budget, the one-time funding of almost $1 million had still not been allocated to specific projects. When we are in difficult financial times, it is critical that the limited funds we do have are put to good use as quickly as possible.

NWT HOUSING CORPORATION

The Committee is pleased with the work of the Corporation in trying to provide a high level of service with reduced resources. We generally support the changes planned for the Corporation over the next year.

Financing Additional Units

With limited dollars and an ever increasing demand for social housing, particularly in the east, we support the creative efforts of the Corporation to finance additional housing units. We are encouraged to learn that there is the potential to significantly increase the number of units built next year. At the same time, we expect to see adequate checks and balances built in so the Corporation does not get into a difficult debt situation.

The Corporation mentioned that the areas of lot development and land reform (rates for lots) could have a negative impact on just how far they can go with their ideas to increase the number of housing units next year. We encourage the Government and the Standing Committee on Infrastructure to work together to ensure that the opportunity to provide additional social housing is not delayed unnecessarily by of land reform issues.

CMHC Funding Transfer

The NWT Housing Corporation has always received a large part of its funding through CMHC. The various agreements in place have limited the flexibility of the Corporation and continue to impact on decisions made in areas such as reductions and utility payments. The Corporation and CMHC are currently negotiating a block funding transfer of the CMHC funding. If the transfer comes with a fair amount of flexibility, there may be an opportunity to lessen the total reductions which the LHOs are going to have to absorb this coming fiscal year. As well, the Corporation will be able to look at other problem areas such utility rates.

Local Housing Organizations

The LHOs will have to share in the reductions again this year. The Committee is pleased to see that, while LHOs make the decisions where to reduce costs, the Corporation provides a list of possible areas for reduction which have worked elsewhere. This is the type of helpful information which we had hoped would be provided in a number of areas where communities are making decisions: income support, community justice, community wellness. While the local organization will make the final decisions, it is always helpful to have suggestions to add to local ideas. This saves each community from having to reinvent the wheel.

The Corporation has ambitious plans to transfer responsibility for housing to communities by the end of the next fiscal year. Where communities and LHOs are ready, we applaud this. We are concerned about the ability of some LHOs to take on this responsibility. They are coping with a funding change as well as being responsible for living within their budget for the first time. Taking on full responsibility may be asking too much of some LHOs in the one year timeframe set out in the business plan. It may also be difficult for the Corporation to provide sufficient staff support to the LHOs if many transfers are taking place at the same time. The Committee supports a process for monitoring and supporting LHOs as they become financially independent and responsible for managing their budgets.

Increasing Community-Based Staff

Members believe that the organization structure could provide more support directly at the community level. There are still many staff at the district level who are supposed to provide community support and development. The Committee suggests it is difficult to do community development in Fort Resolution if you work in Hay River just as it is difficult to do community development in Cape Dorset if you are based in Iqaluit.

As communities take over more of the housing programs and services, there will be a decreased need for the district staff as they now operate. Transferring district staff into communities where they can work directly

with the LHOs and local residents is consistent with community empowerment. It will also provide the vital support to communities as they take over programs in more effective and responsive manner. The Committee would like to see a plan to have more district staff working directly in the communities they are supposed to support. This plan should address the differences between the program and technical sides of the corporation, training needs and the issue of duplication of services (LHOs versus district staff).

Recommendation 18

The Standing Committee recommends that the Housing Corporation prepare a plan to locate more district staff directly in the communities they support and that this plan be provided to the Committee before the review of the 1998/99 Business Plans.

Rent for Seniors

The policy of no rent for seniors concerns to the Committee. We understand that the Corporation asked LHOs and seniors for their opinion of the policy over the summer. However, there is a clear need to revisit this issue. The problem with this policy is that it creates inequities among seniors. Those who have tried to live independently are expected to carry the full cost of their accommodation while the GNWT pays the full cost for those who are in social housing. This policy is not consistent with the Health and Social Services goal of encouraging people to live independently.

The no-rent policy must also be considered as part of the larger picture. The GNWT provides a wide range of subsidies and programs for seniors. Not only is there not a comprehensive list of these programs, there is also a lack of coordination and consistency between them. We don't know which are taxable, which are not and how they all fit together. Rather than addressing one piece in Housing, another in Health and still another in Education, we believe the government should be looking at the package of what is available for seniors. As a Committee, we want to see support which ensures all seniors can be independent as long as possible and live with dignity.

Recommendation 19

The Standing Committee recommends that the Corporation review the no-rent policy for seniors and develop a policy which would recognize the contribution of seniors to our society while still requiring a payment consistent with ability to pay;

And further that the review of the no-rent policy for seniors should be done as part of the comprehensive review of all seniors programs and subsidies to be conducted by the Social Envelop departments.

Program Changes

The Corporation is looking at streamlining and consolidating a number of its programs. The Minister and his staff provided a briefing to us on the proposed program changes. We support the direction the Minister is taking. We do encourage the Minister to complete the analysis of the benefits of the proposed changes. The Corporation has good information on the financing issues. There is also a need for more precise information on the number of renovations and new housing units which will result from these changes. The actual product to come from the new direction is still very vague. We will be looking for more clarity as the Corporation has the opportunity to focus on these details.

We are comfortable with the new direction being proposed for the Corporation's programs. However, there are many things which will have to be considered. For example, while underwriting mortgages at the banks will free up resources, it also means the Corporation will have to do more work with clients and will need to make better decisions about clients than some of the decisions made in the Access program. The Committee is concerned that people entering into homeownership need to fully understand the financial implications of operating their own homes.

The Corporation is making efforts to ensure the best use of their dollars. We agree with efforts to assist those 200 families in social housing with relatively large incomes to pursue homeownership. With 50% of the access clients in arrears on their payments, we also support the mortgage arrears policy,

provided it is implemented with the degree of compassion the Minister and his staff discussed with us.

Staff Housing

The Committee is concerned about examples of empty, heated staff housing in communities where there are waiting lists and families living in overcrowded situations in public housing. These housing units should be turned over for use by LHOs to house needy public housing families.

While the Minister of Finance has indicated support for this approach in the Legislative Assembly, there is no clear date for these types of transfers to happen. We would like clarification on the timeline for the transfer of staff housing units to the LHOs.

Seniors Housing

The Corporation builds seniors housing units on behalf of the Department of Health and Social Services. This year, there will be 16 new units. We would like additional information on where units are allocated, how decisions are made about allocation, and where these units have been allocated in the past.

Northern Manufacturing Policy

There was significant discussion about the northern manufacturing directive and its impact on the Corporation. The Committee agrees with efforts to support northern manufacturing. However, we would like to see a standard of reasonableness applied. There seem to be some weaknesses in the current approach. We would like to see the Corporation look at regional tenders rather than Territory-wide tenders. This would make it more feasible for a small fledgling operation to compete and supply products for their region. They would still have to be competitive but the opportunities would be opened up to more businesses. We understand that while some products are made in the north, there are times when the supplier cannot match the demand so parts come in from the south anyway. Regional tendering might also help address the limited capacity of some of the suppliers. In the past,

there have been some complaints about quality of products. Northern manufacturers, in exchange for the premium on their services, should be required to guarantee their products.

The Legislative Assembly recently considered this issue and adopted the recommendations of the BIP Working Group. We encourage the Minister to support the recommended changes to the northern manufacturing directive.